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) *Docket No. 03-00491*

## OBJECTIONS OF Z-TEL COMMUNICATIONS, INC. TO

Pursuant to the *Order on October 21, 2003 Status Conference*, issued October 27, 2003

Z-Tel files these objections to comply with the ten (10) day requirement set forth in the

Further, at the time of the filing of these objections, the issues to be addressed in this

## GENERAL OBJECTIONS

Z-Tel makes the following general objections to the Requests:

1. Z-Tel objects to the “Definitions” section, the “General Instructions,” and

to the extent that they are overly broad, unduly burdensome, and/or oppressive. Z-Tel will attempt to identify specific requests to which this objection applies within the specific objections that follow.

2. Z-Tel objects to the “Definitions,” the “General Instructions,” and the individual request items to the extent they are irrelevant and not likely to lead to the discovery of admissible evidence. By way of illustration and not limitation, Z-Tel objects to requests that seek materials and documents that are inconsistent with or unrelated to the parameters and methodology of the impairment analysis prescribed by the FCC in its Triennial Review Order. Z-Tel will attempt to identify individual requests to which this general objection is applicable within the specific objections that follow.

3. Z-Tel objects to the “Definitions,” the “General Instructions,” and the request items to the extent they are vague, ambiguous, imprecise, or utilize terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these Requests.

4. Z-Tel objects to the “General Instructions” and the request items of BellSouth’s First Set of Requests for Production to Z-Tel to the extent that they purport to impose discovery obligations on Z-Tel that exceed the scope of discovery allowed by the applicable Tennessee Rules of Civil Procedure.

5. Z-Tel objects to the “General Instructions” section and the individual request items of BellSouth’s First Requests for Production to Z-Tel to the extent that the “instructions” purport to seek disclosure of “all” documents, materials or information in Z-Tel’s possession. Z-Tel’s responses will provide all nonprivileged and otherwise discoverable

information obtained by Z-Tel after a reasonable and diligent search conducted in connection with the Requests. Such search will include a review of only those files that are reasonably expected to contain the requested documents and/or information. To the extent that “instructions” or individual requests require more, Z-Tel objects on the grounds that compliance would be unduly burdensome, expensive, oppressive, or excessively time consuming, and unnecessary to accomplish BellSouth’s legitimate discovery needs.

6. Z-Tel objects to BellSouth’s First Requests for Production to the extent that the requests seeks discovery of materials and/or information protected by attorney/client privilege, the work product doctrine, the accountant/client privilege, or any other applicable privilege.

7. Z-Tel objects to BellSouth’s First Set of Requests for Production to the extent that the requests would require disclosure of information that constitutes trade secrets and/or confidential and proprietary information that should be disclosed either not at all or only pursuant to the terms of a mutually acceptable confidentiality agreement and use of the TRA’s rules and orders governing confidentiality

8. Z-Tel objects to all requests which would require the production of materials and/or information which is already in BellSouth’s possession or is in the public record before the TRA. To duplicate information that BellSouth already has or is readily available to BellSouth would be unduly burdensome and oppressive.

9. Z-Tel objects to BellSouth’s First Request for Production to the extent BellSouth seeks to impose an obligation on Z-Tel to respond on behalf of subsidiaries and/or former officers, employees, agents, and directors on the grounds that such requests for

production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

10. Z-Tel will interpret each request as relating to Tennessee intrastate operations within BellSouth's service areas. To the extent any requests are not intended to relate to Tennessee intrastate operations within BellSouth's Tennessee service area, Z-Tel objects to such requests as overbroad, irrelevant, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.

11. Z-Tel objects to the use of the terms "qualifying service" and "nonqualifying service" on the grounds the terms are subject to differing interpretations.

#### **SPECIFIC OBJECTIONS TO REQUESTS**

Z-Tel hereby incorporates the above general objections by reference. To the extent possible within the expedited ten-day time frame for the filing of preliminary objections, Z-Tel will attempt to identify individual items that are subject to objection. Z-Tel reserves the right to add or enlarge upon these objections when Z-Tel files its responses.

12. **REQUEST NO. 1:** Produce all documents identified in response to BellSouth's First Set of Interrogatories.

**OBJECTION:** Z-Tel objects to the extent No. 1 seeks confidential and proprietary documents. Z-Tel also incorporates by reference its Objections to the First Set of Interrogatories.

13. **REQUEST NO. 2:** Produce every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service in the State of Tennessee.

**OBJECTION:** Z-Tel objects to No. 2 on the grounds that it seeks discovery of documents that, inasmuch as the FCC ruled the state commissions' impairment analyses are not to be based on individual carriers' business cases, are unrelated to the analysis the TRA will conduct, are irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the request seeks the disclosure of confidential and proprietary business information.

14. **REQUEST NO. 3:** Produce all documents referring or relating to the average monthly revenues you receive from end users customers in Tennessee to whom you only provide qualifying service.

**OBJECTION:** Z-Tel objects to Request No. 2 on the grounds that the request seeks documents that are unrelated to the analysis of impairment prescribed by the FCC and irrelevant to the issues in this case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds that the request seeks the disclosure of confidential and proprietary information. Z-Tel objects to No. 3 on the grounds that the request to produce "all documents" relating to the average monthly revenues is oppressive and unduly burdensome.

15. **REQUEST NO. 4:** Produce all documents referring or relating to the average number of access lines you produce to end user customers in Tennessee to whom you only provide qualifying service.

**OBJECTION:** Z-Tel objects to no. 4 on the grounds the request to provide all documents is onerous, unduly burdensome, and goes far beyond any legitimate discovery needs. Z-Tel also objects on the basis the information is proprietary and confidential.

16.       **REQUEST NO. 8:** Produce all documents referring or relating to the classifications used by Z-Tel Corporation to offer service to end user customer Tennessee (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers).

**OBJECTION:** Z-Tel objects to No. 8 on the grounds the request for “all documents” is onerous, unduly burdensome, oppressive, and goes far beyond any legitimate discovery need. Z-Tel objects on the grounds the information is irrelevant and not calculated to lead to the discovery of admissible evidence.

17.       **REQUEST NO. 9:** Produce all documents referring or relating to the average acquisition cost for each class or type of end user customer served by Z-Tel Corporation, as requested in BellSouth’s First Set of Interrogatories, No. 34.

**OBJECTION:** Z-Tel objects to No. 9 on the grounds that, because they relate to Z-Tel’s individual business model, the request seeks documents that are unrelated to the impairment analysis prescribed in the Triennial Review Order, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the request seeks disclosure of confidential and proprietary business information. Z-Tel also objects to the request to produce “all” documents as overbroad, unduly burdensome, and oppressive.

18.       **REQUEST NO. 10:** Produce all documents referring or relating to the typical churn for each class or type of end user customer served by Z-Tel Corporation, as requested in BellSouth’s First Set of Interrogatories, No. 35.

**OBJECTION:** Z-Tel objects to the request because it seeks carrier-specific information that is unrelated to and inconsistent with the impairment analysis prescribed within the Triennial Review Order, and the requested documents are therefore irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects to the request that it provide “all” documents as overbroad and unduly burdensome. In addition, Z-Tel objects because the request seeks confidential and proprietary business information.

19. **REQUEST NO. 11:** Produce all documents referring or relating to how Z-Tel Corporation determines whether to serve an individual customer’s location with multiple DSOs or with a DSL or larger transmission system.

**OBJECTION:** As stated in the general objections, which have been incorporated into each specific objection, Z-Tel objects to the request that it provide “all” documents. In addition, Z-Tel objects because the request seeks confidential and proprietary business information.

20. **REQUEST NO. 12:** Produce all documents referring or relating to the typical or average number of DSOs at which Z-Tel Corporation would choose to serve a particular customer with a DSL or larger transmission system as opposed to multiple DSLs, all other things being equal.

**OBJECTION:** As stated in the general objections, which have been incorporated into each specific objection, Z-Tel objects to the request that it provide “all” documents. In addition, Network objects because the request seeks confidential and proprietary business information.

21.       **REQUEST NO. 13:** Produce all documents referring or relating to the cost of capital used by Z-Tel Corporation in evaluating whether to offer a qualifying service in a particular geographic market.

**OBJECTION:** Z-Tel objects to the request on the grounds that, because they relate to Z-Tel's specific business model, it requests documents that are unrelated to the impairment analysis prescribed by the FCC in its Triennial Review Order, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects to the request for "all" documents as overbroad and unduly burdensome. Z-Tel also objects on the grounds the information sought is confidential and proprietary business information.

22.       **REQUEST NO. 15:** Produce all documents referring or relating to your estimates of sales expense when evaluating whether to offer a qualifying service in a particular geographic market.

**OBJECTION:** Z-Tel objects to No. 15 on the grounds it requests documents that, because they relate to financial aspects of Z-Tel's specific business model, are unrelated to the impairment analysis prescribed within the Triennial Review Order, irrelevant to the issues in this case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request for "all" documents is overbroad and unduly burdensome. Z-Tel also objects on the grounds that the request seeks documents that are confidential and proprietary business information.

23.       **REQUEST NO. 16:** Produce all documents referring or relating to your estimates of general and administrative (G&A) expenses when evaluating whether to offer a qualifying service in a particular geographic market.



**OBJECTION:** Z-Tel objects to No. 16 on the grounds that it seeks documents that, because they relate to Z-Tel's specific business model, are unrelated to the prescribed impairment analysis, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the request seeks the disclosure of confidential and proprietary business information. Further, the request for "all" documents is overbroad and unduly burdensome.

Respectfully submitted,

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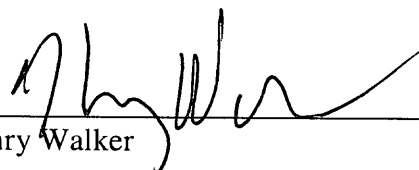
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